GOVERNMENT OF INDIA
COAL
LOK SABHA

UNSTARRED QUESTION NO:4470
ANSWERED ON:17.04.2001
DECONTROL OF PRICE OF COAL
SUNDER LAL TIWARI

Will the Minister of COAL be pleased to state:

(a) whether the Government have totally decontrolled the price of coal extracted by the Coal India Limited and its subsidiaries;

(b) if so, the manner in which the interests of the consumers are proposed to safeguarded; and

(c) the benefit accrued to the State Governments due to increase in the prices of coal?

Answer

MINISTER OF STATE FOR COAL (SHRI SYED SHAHNAWAZ HUSSAIN)

(a) : Yes Sir.

(b) : Pricing of coal has been completely deregulated by the Central Government with effect from 1.1.2000. Competition between the coal companies, imports and Ministry of Coalrepresentatives on Coal Company Boards are expected to safeguard consumer interests.

(c) : The State Governments levy `Sales Tax` on coal. Wherever such sales tax is computed on the price coal, any increase in price of coal would lead to increased sales tax revenue to the State Government concerned. Similarly, increase in the price of coal leads to increase in the cess levied by the Government of West Bengal.